

OHIO ENACTS THE UNIFORM COMMERCIAL CODE

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Without any doubt one of the major accomplishments of the 104th General Assembly was the passage of the "big Bill," the Uniform Commercial Code. Senate Bill No. 5, which embodies the Commercial Code, was signed by the Governor on May 18, 1961, and becomes law on July 1, 1961.

Thus, after years of study and effort by the Bar and other interested persons in Ohio, the Buckeye State became the tenth state to enact the Code. Before the end of the 1961 legislative sessions, thirteen states had enacted the Code, seven in 1961.¹

The Commercial Code itself represents the most comprehensive and significant overhaul of our commercial laws. In scope, it concerns itself with the sale of personal property, commercial paper such as checks, bills and notes, bank collections and deposits, letters of credit, bulk sales, documents of title such as warehouse receipts and bills of lading, investment securities, and the entire field of secured transactions.² Over 500 sections of existing law are either repealed or amended. The old uniform acts covering negotiable instruments,³ sales,⁴ warehouse receipts,⁵ bills of lading,⁶ stock transfers,⁷ and trust receipts⁸ are repealed as are the provisions relating to bulk transfers,⁹ chattel mortgages,¹⁰ accounts receivable,¹¹ conditional sales,¹² and factor's liens¹³ among others. The strong support given the Code before the Ohio General Assembly by every interested statewide

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¹ The states that have enacted the Code are Pennsylvania, Massachusetts, Kentucky, Connecticut, New Hampshire, Rhode Island, Wyoming, Arkansas, New Mexico, Ohio, Oregon, Illinois and Oklahoma.

² The nine articles of the Code will become the first nine chapters of Title Thirteen of the Revised Code.

³ Ohio Rev. Code §§ 130.01-86, 1303.01-47, 1305.01-58, 1307.01-09 (1953).

⁴ Ohio Rev. Code §§ 1315.01-76 (1953).

⁵ Ohio Rev. Code §§ 1323.01-99 (1953).

⁶ Ohio Rev. Code §§ 4965.01-49, 4965.99 (1953).

⁷ Ohio Rev. Code §§ 1705.01-02 (1953).

⁸ Ohio Rev. Code §§ 1316.01-31 (Supp. 1958).

⁹ Ohio Rev. Code §§ 1313.53-55 (1953).

¹⁰ Ohio Rev. Code §§ 1319.01-05, 1319.08-10 (1953).

¹¹ Ohio Rev. Code §§ 1325.01-08 (1953).

¹² Ohio Rev. Code §§ 1319.11-19 (1953).

¹³ Ohio Rev. Code §§ 1311.59-64 (1953).

group¹⁴ and its overwhelming acceptance by the General Assembly¹⁵ indicates that the functional modern approach of the Code will represent a real improvement for any Ohio lawyer dealing with commercial transactions.¹⁶

Given the scope and importance of the Code, it becomes quite important that more detailed information concerning the provisions of the Code and the nature of the changes occasioned there be made available. For this reason, the Ohio State Law Journal will devote a forthcoming issue to a more comprehensive review of the Code than could possibly be made in this Legislative Issue. This issue which will appear before the effective date of July 1, 1962 should be of considerable value in adding to the knowledge of the Ohio lawyer in this field.

¹⁴ These groups included the Ohio State Bar Association, the Ohio Chamber of Commerce, the Ohio Bankers Association, the Ohio Legislative Committee of the National Association of Credit Management among others.

¹⁵ The vote in the Ohio Senate was 37-0, in the Ohio House of Representatives the vote was 114-17.

¹⁶ For this writer's view on the benefits to be derived from the Commercial Code see Auerbach, "Ohio and the Uniform Commercial Code," 20 Ohio St. L.J. 638 (1959).